# PART II.

# TREASURY PROCEDURE.

## Chapter 18.—General Procedure of Treasuries.


| | | | |
|---|---|---|---|
| Division of Departments | 300 | Entry in Accounts | 317 |
| Responsibility of District Officer | 301 | Sub-treasury Accounts | 320 |
| Treasurer's Security | 303 | Closing for the Day | 323 |
| Custody of Treasure | 304 | Closing for the Month | 324 |
| Treasurer's Department | 306 | Returns to the Accountant General | 326 |
| Receipt of Money | 308 | Abstract Account | 328 |
| Payment of Money | 309 | Cash Balance Report | 329 |
| Payments to Persons not in Government Service | 313 | District Officer's Verification | 335 |
| Cheques and Letters of Credit | 314 | Notices | 337 |
| | | Treasury Inspection | 339 |


[*N.B.*—Articles 317, 318, 319, 325 and 326 of this chapter do not apply to Madras which still compiles classified accounts. The Accountant General has drawn up other rules in substitution for these.]

### Division of Departments.

**300.** The treasury is in general charge of the District Officer (Collector) who may entrust the immediate executive charge to a "Treasury Officer" subordinate to him, but he cannot divest himself of administrative charge. The treasury is divided into two departments,—that of the accounts under the charge of an Accountant, and that of the cash, stamps and opium (if any) under charge of the Treasurer.

### Responsibility of District Officer.

**301.** The Accountant General directs his communications regarding treasury work either to the District Officer or to the Treasury Officer. The Government has repeatedly ruled that the appointment of a subordinate to the immediate charge of a treasury in no way relieves a District Officer from responsibility. This responsibility extends not only to the security of the cash balance with the stamps and opium, and the immediate detection of any irregular practice on the part of the subordinates, but also to the correctness of the returns and the punctuality of their submission, and to the implicit obedience of the Treasury Officer to the instructions issued from the Account Office.

NOTE.—The several Local Governments have been requested to lay down in writing the responsibility of the District and the Treasury Officer, respectively.

**302.** District Officers should remember that, when an irregularity of any kind is brought to their notice by the Accountant General, nothing but a report on their own knowledge, after personal investigation, can be considered satisfactory. It is not enough for them to pass on the

explanation of a subordinate; reports prepared in this manner have more than once, by lulling suspicion, led to greater irregularity afterwards.

## Treasurer's Security.

**303.** (*a*) A model form for the Treasurer's security bond is given in Appendix G. The Promissory Notes lodged as security may be returned after six months from the date of vacation of office by a Treasurer, but the bond should be retained permanently, or until it is certain that there is no necessity for keeping it any longer. It is the duty of the Revenue Officers, and not of the Account Department, to see to the existence and sufficiency of the security.

(*b*) The form may be modified in the case of other than treasurers of district treasuries, but in their case no modification can be allowed without reference to the Government Solicitor.

## Custody of Treasure.

**304.** The bulk of the treasure remains under double keys of the Treasury Officer and of the Treasurer; the Treasurer may not hold in his separate custody a sum larger than is necessary for the convenient transaction of the Government business, and this sum, together with the value of stamps, opium, etc., in his sole custody, must not be larger than the security given by him. The sum so held should be seen and roughly verified by the Treasury Officer every night and locked up in the vault under double locks.

**305.** The following rules must be carefully observed in receiving money into or giving it out from double locks:—

1. As regards specie, two different boxes (or other receptacles) must be in use at the same time, one into which the money received is placed, the other from which that required is given out. The money given out must be that which has been longest in the treasury, and each box must be completely emptied and the contents passed out before another is taken up; if the treasure is kept in piles or in a single treasure well, the Collector will record an order specifying the precise arrangement to be observed, so that all coin received may, in its due turn, pass out of the treasury.

2. The money must be prepared by the treasurer for reception into double locks by being made up in bags of uniform size (R500, or R1,000, or R2,000, according to convenience of use; but one of these sizes must be selected and adhered to), and the Treasury Officer must thereafter cause the contents of each bag to be emptied into the scales, weighed, and poured into another bag, which should be tied up in his presence. The bags thus tested should then be counted into the chest.

3. Notes intended for delivery into double locks should be made up in bundles in the order of receipt (see Article 612), the number in each bundle being stated upon the outside. They should be counted over by the officer in charge before being received.

4. Notes when required to be given out of double locks should be counted in detail with the same care, unless they have been made up into bundles of a fixed size, and signed (after testing as in the last rule) by the officer in charge.

5. Silver coin may be given out of double locks by counting the number of bags only.

6. Every amount passed into or passed out of double locks should be registered in Form 38 (Treasurer's Daily Balance Sheet) *at the time* by the officer in charge with his own hand, and a memorandum should be kept in each chest showing its contents.

7. The lines in Form 38 should be printed wide apart so as to admit of two or three entries against each in the rare cases when the same kind of money is taken out more than once the same day.

Article 304, page 148—

*Add the following as a note under this article :—*

" NOTE.—In the Punjab, the Local Government may, in cases where the Treasurer's security is given by a bond covering defalcations in more than one treasury, authorise the Treasurer to hold in his separate custody at any specified treasury, stamps of a value not exceeding one-half of the total sum covered by the security, subject to the condition that the aggregate value of cash, opium, etc., so held shall not exceed ₹5,000."

*7th List—15-1-15.*

*Page 148, Article 305.*

*Insert* the following as a new paragraph in continuation of rule 7 :—

As an alternative it is open to the Accountant-General to sanction the maintenance of a separate register in Form 38-A. for recording in detail the transaction in connection with the issues and deposits of notes and coin from double locks, where desired by the officer in charge of any individual treasury, when he is satisfied that such transactions are numerous and that a separate record is convenient and desirable. Each transaction in this register will be initialled *at the time* by the Treasury Officer, but the corresponding entries in the Treasurer's daily balance sheet may be made by the Treasurer. The Treasury Officer's register should be kept in the strong room and at the end of each day the Treasury Officer should carefully check (and attest by his initials) the double lock entries in the Treasurer's daily balance-sheet by comparison with those in his own book.

*14th List—1-7-16.*

**305A.** (*a*) The following rules have been prescribed by the Government of India for the custody of duplicate keys of treasury strong rooms and chests :—

1. A register of all padlocks belonging to the head-quarter and sub-treasuries and treasure chests shall be maintained in the following form and kept in the strong room of the district treasury :—

| Date of receipt. | Number borne by padlock and keys. | Number of duplicates received. | Initials of Treasury Officer who receives the keys. | Date of removal of any duplicate key. | Number and date of order sanctioning the removal. | Initials of Treasury Officer removing the key. |
|---|---|---|---|---|---|---|
| | | | | | | |

Separate pages shall be assigned to the head-quarter treasury and for each sub-treasury or treasure chest. Each sub-treasury shall also keep a list of its own padlocks and keys in the above form.

2. Every padlock shall have a number impressed upon it or attached to it by a metal or other label, and the same number shall be impressed on or attached to each key belonging to it. No two padlocks in the same district shall bear the same number.

3. If a padlock becomes unserviceable or ceases to be required, or if any one of the keys belonging to it is lost, the circumstance shall be reported to the Chief Revenue Authority of the Province, who shall pass orders regarding the disposal of the padlock and keys. No padlock, of which a duplicate key has been lost, shall continue to be used in the same district. No spare padlocks should be kept at a sub-treasury, or, except with the permission of the Chief Revenue Authority, at a district treasury, and duplicate keys shall not be kept at sub-treasuries.

4. No local mechanic shall ever be allowed to repair a treasury padlock or to make a new key for one.

5. All spare padlocks with their keys, which are held in the district treasury with the approval of the Chief Revenue Authority, and all duplicate keys except those belonging to the locks of the head-quarter strong room door, shall be kept in the head-quarter strong room under double locks, the key of one lock being in the hands of the Treasury Officer and of the other in the hands of the Treasurer. The duplicate keys of the strong room shall be secured under the seal of the Treasury Officer and Treasurer and deposited in the District Court or in such other place as the Local Government shall direct. Once a year in the month of April they shall be sent for, examined and returned to the appointed place under fresh seals of the Treasury Officer and Treasurer, a note being made in the duplicate key register that they have been examined and found correct.

6. Whenever the charge of a treasury is transferred or a Treasurer is changed, all padlocks and duplicate keys belonging to the treasury shall be examined and compared with the register, and a certificate shall be signed that they have been found to be correct.

At every inspection of a treasury under Article 339, Civil Account Code, the Inspecting Officer shall report whether he has found the padlocks and all keys (except the strong room locks duplicate keys deposited elsewhere) correct and deposited in accordance with these rules.

(*b*) There is no objection to the above rules being modified in particular points to suit local convenience under special orders of the Chief Revenue Authority. The essential points to be required are—

(1) that some person or persons shall be definitely responsible for the custody of duplicate keys;
(2) that the whereabouts of the keys shall be enquired into periodically and also whenever charge is transferred;
(3) that when the loss of a key is discovered, the loss shall be at once reported to the Chief Revenue Authority by whom such orders should be issued as will prevent the risk of access to the lock by any one into whose hands the lost key may have fallen; and
(4) that an unnecessary number of duplicates or spare locks and keys shall not be supplied in the first instance, or retained when they have ceased to be required.

(*c*) These points should be borne in mind in sanctioning any modification of the rules prescribed.

## Treasurer's Department.

**306.** The Treasurer should maintain a simple cash book (without subordinate registers), in which each receipt and payment is posted at the time of making it. The Treasurer will sign and immediately return to the Accountant (after the necessary entry in his accounts) all receipts for money received. He will stamp all payment vouchers "Paid" and retain them for delivery to the Account Department when the books are compared.

**307.** When stamps or opium have been sold, the total sales should be entered before the cash book is closed, and a memorandum should be prepared and forwarded to the Accountant, so that the necessary entry may be made in the accounts.

## Receipt of Money.

**308.** The memorandum with which money is presented to be paid in (Article 3) will be handed first to the Accountant (treasury clerk) who, if it is in order in all respects, will sign it. Next, the person making the payment will present it with the cash to the Treasurer, who will count and test the money, enter the amount in his own book, and sign the slip, which will again be taken to the Accountant for entry in his cash book and for the preparation of a formal receipt for his own or the Treasury Officer's signature; such a receipt only will be a proper acquittance. If the memorandum is in duplicate, one copy may be made use of for the receipt given by the treasury.

1. To guard against the risk of uncurrent or counterfeit coin being substituted in a treasury for good coin presented by the public or received in remittance, the Government of India has ordered that shroffs and potdars or other officials who handle coin in treasuries should on arrival for the day's work give up to the treasurer or a responsible subordinate to whom the treasurer may delegate the duty, all coin carried with them at the time. This coin will be restored when the men are leaving office at the close of the day's work.

2. Receipts for sums less than ₹500 do not require the Treasury Officer's signature. All will be signed by the Accountant; and as those for sums received by transfer in account will not be signed by the Treasurer, the District Officer will, by an office order, designate the person who shall attach the second signature in the case of sums under ₹500.

3. The Public Works, Post Office, and other departments, send a remittance book with their payments to the treasury, and in it the treasury receipt should be given. The

usual memorandum (or *chalan*) is required, in addition to the remittance book, for use in the treasury.

4. When slips in duplicate are tendered with cash, the Accountant may initial both, and receiving both back signed from the Treasury may complete his signature on one and return it as a receipt to the person who makes the payment, first obtaining, in the case of sums of ₹500 and upwards, the signature of the Treasury Officer.

5. Receipts for money paid for service stamps should always be given upon a printed form entirely filled up by the clerks of the treasury and should always be signed by the Treasury Officer, whatever the amount may be; but such receipts should not be given to officers of Local Funds, or to Government officers in capacities connected with such funds, as the sale of service stamps to such officers is prohibited.

6. The Military Department has a printed form of requisition for postage stamps. The Treasury Officer is not to sign this form, but is to return it, as received, together with his separate printed receipt as prescribed in the last note.

The Public Works Department has also a special printed form of indent for postage stamps, their value being paid by means of cheques drawn in favour of the Executive Engineer or other disburser and endorsed by that officer with the words "received payment by value of service labels."

7. When money has been paid into a treasury, the Treasury Officer should not sign a duplicate memorandum, or a copy thereof, on the allegation that the original has been lost. For further instructions relative to the issue of duplicates of receipts or vouchers, see Article 12.

8. In places where the treasury banks with a branch of the Presidency Bank, the memorandum must, except when otherwise provided, be presented to the Treasury Officer, who will enface it with an order to the bank to receive the money and to grant a receipt.

9. A special procedure has been authorised by the Government of India for Bengal.

## Payment of Money.

**309.** The bill or other voucher presented as a claim for money will be received and examined by the Accountant, and then laid before the Treasury Officer, who, if the claim be admissible, the authority good, the signature true and in order, and the receipt a legal quittance, will sign the order for payment at foot of the voucher taking care to adopt the precautions prescribed in Article 9 (*c*). Care should be taken that all bills and vouchers passed for payment are paid on the same day, and that no payment is made except under the written order of the Treasury Officer.

1. A Treasury Officer must not honour a claim which on the face of it is disputable; he will request the claimant to refer the question to the Accountant General.

2. Nor may he undertake correspondence for an officer making a claim to any special allowance but will request him to address the Accountant General either direct or through his own official superior.

3. A register should be kept in each treasury showing the names of all gazetted officers drawing their pay from that treasury, and as each pay-slip is received from the Accountant General, the amount of salary which it sanctions should be entered against the name of the officer concerned. As each salary bill is presented for payment reference to this register should be made to see that the sanctioned rate is not exceeded.

4. The Treasury Officer should take special care to see that receipt stamps are so defaced that they cannot be used again, and offer no temptation to the abstraction of vouchers for the sake of the stamps upon them. Several cases of the loss of vouchers have occurred owing to neglect of this precaution.

5. No payment is to be made without the orders of the Accountant General to an officer transferred from another province or from another department, or on return from long leave out of India.

**310.** It must be remembered that the Treasury Officer has to satisfy not only himself, but also the Account Department, that the claim is valid; and has further to prove that the payee has actually received the sum charged (see Article 390). Careful attention must therefore be given to the rules regarding the completion of vouchers, referred to in Article 9. The Treasury Officer must have sufficient information as to the

nature of every payment he is making, and is without excuse if he accepts a voucher which does not formally record that information.

1. The Treasury Officer, before paying any bill of a covenanted civilian, must see that the deductions prescribed by Article 556 (*a*) of the Civil Service Regulations have been made.

2. Treasury Officers, when cashing bills for Survey officers and others at a distance from the treasury, should furnish a note explaining the amount of cash and transfer receipts (if any) issued, and any deductions or alterations that may be made in the bill presented. The note should be in bi-lingual form, as it is important that the guard or messenger who receives the money should ascertain that the amount stated agrees with the actual cash or drafts delivered to him: and when that person is unable to read, the Treasury Officer should himself explain to him the amount entered on the note.

The following form is recommended :—

| | | |
|---|---|---|
| Bills presented for salary, etc. | | 000 |
| Bills presented for contingencies | | 000 |
| Bills presented for sundries | | 000 |
| | TOTAL | 000 |
| Paid in cash | 000 | |
| Paid in drafts | 000 | |
| | *Deductions (if any) | |

*[*Explanation.*]

*Signature of Messenger*———————

———————.

*Treasury Officer.*

3. When delay in payment is likely to cause serious inconvenience, as, for instance, in the case of arithmetically inaccurate abstract bills presented by Famine Relief Officers on duty at some distance from the treasury, the Treasury or Sub-Treasury Officer should not return the bill for correction, but should himself correct it and pay the corrected sum, informing the officer concerned, and if necessary the Accountant General (or the Treasury officer in the case of payments made at Sub-Treasury), that he has done so.

**311.** After the voucher has been completely entered in the accounts, and the order to pay signed by the Treasury Officer, it should be passed on, together with the payee, to the Treasurer's department, when the Treasurer will make the payment and enter it in his account, which is a cash book (without subordinate registers) in which each transaction is posted as it occurs. The Treasurer will punch the stamp, stamp the voucher "Paid," and retain it for delivery to the Account Department when the books are compared.

1. When a payment is made "by transfer,"—that is, by entry of the amount in the accounts as received under some head of receipt,—no payment of cash takes place and the item will not find a place in the Treasurer's cash book, nor should the voucher be stamped "Paid" by him.

*N.B.*—The cheques issued by the Public Works Department for the purchase of service stamps under Note 6, Article 308 of the Civil Account Code, are an exception to this rule.

2. When a payment is to be made by transfer to a head of revenue or receipt for which a register is maintained (say, for example, Land Revenue), the payment order should indicate the major and detailed heads affected, and should run—"*Pay ₹ by transfer to credit of Land Revenue, Fixed Collections.*"

3. If a payment is to be made by transfer to the credit of a head for which a register is not kept (*i.e.*, when the credit is to be taken direct into the cash book), the payment order should run—"*Pay ₹ by transfer and credit as a distinct item in the Cash Book.*"

4. When the entries in the accounts are complete, the voucher should be stamped by the Accountant "*Paid by transfer.*"

Article 310, Note 3, page 152—

*Add the following under the above note:—*

"The same procedure should be followed when the Treasury Officer finds that the difference between the amount claimed in a bill, and that which is admissible is very trifling."

*7th List—15-1-15.*

*Page 153, Article 312—*

*Insert the following Note under this Article :—*

NOTE.—Where sub-treasuries have been permitted to cash certain classes of bills without reference to the District Treasury Officer, the payment of such bills should not, except under special arrangements and on particular occasions, be allowed at the District Treasury also.

*[17th List—1-4-17.]*

*Page 153, Article 314—*

*Insert* the following new para. in this article numbering, it as (c):—

(c) Ordinarily a cheque should not be cashed by the Treasury Officer unless it is receipted by the payee himself or other person in whose favour it is regularly endorsed for payment. In special cases, when the head of an office is unable to receipt cheques himself, owing to his being absent on tour or for other causes, and when he considers that strict compliance with the ordinary rule would cause inconvenience, he may specially authorise in writing a subordinate Gazetted officer to endorse for him cheques drawn in his favour by his official designation.

*(12th List—3-1-16.)*

**312.** The procedure in regard to the receipt, custody, and payment of money at district treasuries is generally applicable to sub-treasuries also, save that, with certain local exceptions, no bill may be paid at a sub-treasury without being first submitted to, and payment directed by, the District Treasury Officer.

## Payments to Persons not in Government Service.

**313.** The Government of India have directed that, when a person not in the Government service claims payment for work done, service rendered, or articles supplied, the Treasury Officer should require—

(*a*) The submission of the claim by the head of the Department, or other responsible Government officer under whose immediate order the service was done or the equivalent was given for which payment is demanded.

(*b*) Failing the above, in cases when it may be necessary to pay the amount of a bill drawn by a person not in the Government service, and also when the authority of the head of the department or responsible officer is insufficient, an order from the Accountant General should be sought, by furnishing that officer with any necessary particulars for obtaining the sanction of Government, should such be needed.

(*c*) And in any event, if a bill be drawn by a person not in the Government service, the Treasury Officer should use special precautions for satisfying himself of the identity of the applicant for payment.

(*d*) In all doubtful cases, the Treasury Officer should take the orders of the Collector, who must be expected to assume the responsibility of his position; and he would doubtless be supported by the Government, if he can show that he has exercised a proper amount of care and discretion in the matter. When this necessity occurs, however, he should immediately report the fact to the Accountant General.

## Cheques and Letters of Credit.

**314.** (*a*) When a cheque is presented, care should be taken to ascertain by examination of its printed number that it really was taken from the book notified as in use by the officer who is said to have signed it. Every cheque in favour of a Government officer must be made payable to order only; but when the payee is not in Government employ, the drawer may, at his request, make the cheque payable to bearer. Treasury Officers will therefore cash cheques payable to "A. B. or bearer," except when A. B. is a Government servant. If a cheque payable to a person not in Government employ or payable to such a person "or order" is presented, the Treasury Officer may decline to pay it, if he is unable to satisfy himself of the identity of the payee, and of the completeness of the chain of endorsement by which the payee is the holder of the cheque. Cheques crossed in accordance with the provisions of Chapter XIV of the Negotiable Instruments Act should be honoured when presented at the treasury.

(*b*) In drawing or cashing a cheque, it should be remembered that a common form of fraud consists in altering the word *one* into four by prefixing an *f* and changing the e into an r, the figure being easily altered to correspond. The word *twenty* if written carelessly has also sometimes been changed into *seventy*. The drawer of a cheque in which these words occur should therefore so write as to make the fraud impossible and the cashier should examine the words and corresponding figures with special care.

1. Where sub-treasuries are in charge of native officials not acquainted with English, bi-lingual cheques should be used, and if these cheques are not used, the paying officer is responsible for calling attention to this rule.

2. When a public officer sends a cheque to a treasury not for cash payment, but for credit of its amount in the treasury accounts, he must, before he signs the receipt, add to the words "Received payment" the further words "by transfer credit to————." Omission to do this facilitates fraudulent appropriation of money.

3. For the procedure in case of lost military cheques, see Chapter 25, Article 485.

4. If the payee is unknown at the treasury, the Treasury Officer should make any enquiries he thinks necessary and should especially consider the date, serial number and amount of the cheque as well as hand-writing and if suspicion arise he may defer payment until he has referred to the drawer.

5. Pass-books sent to the treasury to be written up should ordinarily be returned to the drawing officer the same day.

**315.** (*a*) Every payment made on the authority of any letter of credit must without fail be noted against it at the time of passing it under the Treasury Officer's initials. This has been specially provided for in the case of Public Works cheques, which are charged in the register of cheques paid (Form 62) and in the Executive Engineer's pass book. A similar plan may be followed for other departments, but either on the reverse of the letter of credit, or in Form 62 or a similar form, a note must be made and a balance struck each time a cheque is paid at the district treasury.

(*b*) The Treasury Officer must bear in mind that the letter of credit shows the maximum amount he has authority to pay, or the officer credited has authority to ask for and any further payment is made at the Treasury Officer's risk: he should therefore be careful so to record the progressive total of his payments that there may be no risk of over-payment.

NOTE.—A letter of credit is only an *authority to honour drafts*, and payment can only be made on cheques or drafts drawn against it. An officer in whose favour a letter of credit had been issued on a treasury where the Government balance was kept at a branch bank, drew a cheque in his own favour for the whole amount and opened a separate drawing account; this procedure was most irregular, and the Treasury Officer should have reported to the Accountant General as soon as circumstances caused him to suspect the irregularity, as the entry in the bank's account or the voucher attached to it should have caused him to do the same day.

**316.** Letters of credit lapse at the close of the financial year in which they were issued, save in the cases mentioned in the table below. When a letter of credit lapses at the close of the financial year, a cheque drawn before, but paid after, the end of the year, will be taken against the letter of credit of the year in which it was drawn. If this causes over-drawal of the credit, the excess will be treated as an overdrawal and the attention of the authorities concerned should be drawn to the irregularity.

| Department. | Date of lapse of letter of credit. | Reference to Code. |
|---|---|---|
| Public Works Department. | If not operated upon in the meantime, six months after expiry of the financial year in which issued. | Art. 449(1). |
| Post Office Department . | At close of month for which issued . . . . | „ 517 A. |
| Survey Department. . | At end of month following the period for which issued or in the case of special letters of credit after one month from date of issue. | Arts. 412 and 413. |
| Telegraph Department . | Balance does not lapse at the end of the official year; but if such balance is not operated on in the meantime, it will lapse six months after the expiration of the financial year in which the letter of credit was issued. | Art. 537. |

*Page 154, Article 314, Rule 2.—*

*Substitute the words* "he must, before endorsing the same, add the words 'Received payment by transfer credit to—'" *for the words* "he must, before he signs the receipt ..... 'by transfer credit to—'"

[*19th list—1-10-17.*]

*Page 154, Article 316.—*

*For* Article 412 *in third column of the table under this article against* "Survey Department" *substitute* Article 410A.

[*20th List—2-1-18.*]

*Page 155, Article 317—Note 2.*

*In the first line of the addendum to this note inserted by the 8th List of Corrections, for the words* "provincial buildings" *substitute* "any buildings under the control of a Provincial Government."

[*16th List—2-1-17.*]

*Article 317, Note 2, page 155—*

*In the fourth line for the word* "two" *read* "three."

*Strike out the word* "and" *after the word* "credited" *in the fifth line.*

*Substitute a* "semicolon" *for the* "fullstop" *at the end of the note and add the following:—*

" and in cases where provincial buildings are occupied by officers of Imperial Departments whose salaries though disbursed in the Province in which they may be residing, have to be passed on for final adjustment by another accounts officer, the gross amount of salary, less deductions other than rent should be charged and the rent recovered should be credited to the head 'XXXI.—Civil Works.'"

*8th List—1-4-15.*

*Page 155—Article 317.*

*Introduce the following under Article 317 as Rule 2, numbering existing Rules 2 and 3 as 3 and 4:—*

2. "In the case of receipts remitted by postal money orders and adjusted by book-transfer under Articles 518 and 518-A, entries in the cash book or the subsidiary register concerned may be made daily in lump under each detailed head of account, provided that they are entered in sufficient detail in the departmental registers and that daily returns are submitted to the treasury".

*15th list—1-11-16.*

## Entry in Accounts.

**317.** Every item received or paid must at once be entered in the cash book or in some register subsidiary thereto, and numbered in a consecutive monthly series for each register; and the corresponding returns for the Accountant General (that is, the cash account, lists of payments, and schedules) should be written up before the office closes, in order to ensure their punctual despatch on the 10th of the current or the 1st of the following month.

1. All receipts of a miscellaneous nature will be recorded in detail in the cash book and in the monthly cash account; but all those of frequent occurrence or belonging to departments for which separate returns are submitted, will be recorded in registers from which daily totals will pass into the cash book, and monthly totals only into the cash account; in these registers columns should be provided for any necessary detailed heads; but no other details, such as the amount of daily receipts, or the names of persons paying in money, will be required.

2. The net cash payment only should be entered in the list of payments, though all deductions must be detailed in the bill; there must not be a gross debit with a *per contra* credit, even when a sum is being recovered under the Accountant General's orders. There are *only* ~~two~~ exceptions to this rule of net debits: in the case of local funds the gross amount of a voucher will be charged and the deductions credited; ~~and~~ when a deposit is subject to abatement, the full sum must be charged, and the sum abated brought to credit.

3. Fractions of a pie are not to be entered in the treasury accounts, and they should neither be received nor paid.

**318.** Forms 35 and 36 are those prescribed for the cash book and the separate receipt registers respectively; if the charges under any service head be so numerous as to make it convenient to open a separate register for them, the right-hand side of the cash book may be taken as a pattern. For deposit and bill transactions, and for some others, special register forms are prescribed, as laid down in the following chapters.

NOTE.—The words "separate register" here and elsewhere do not necessarily imply a separate volume. It is often convenient to include several registers within the same volume, a set of continuous pages being set aside for each.

**319.** The vouchers pertaining to *each* schedule should be numbered consecutively in a monthly series as they are entered therein, and should, when received back from the Treasurer after the closing of the day's accounts, be arranged in their numerical order, and kept in that order under lock and key till despatched.

## Sub-treasury Accounts.*

**320.** From the sub-treasuries a daily sheet (supported by vouchers) is received, reporting the receipts, payments, and balance of the day; and the receipts and payments (after examination) are to be posted from it, on the day of receipt, into the accounts of the district treasury in the same way as if they had taken place at it. But they do not pass into the Treasurer's cash book.

**321.** Transfers of cash between the several treasure chests of a district are not to be entered in the cash book of the district treasury, either as payments when the remittance is made, or as receipts when received. They will necessarily appear as payments and receipts in the cash books

* See Article 312.

and daily sheets of the sub-treasuries concerned, but will be excluded in posting the district accounts, in which they will thus remain part of the balance. A complete check over these remittances is obtained by means of the Accountant's balance sheets. (See Article 323.)

**322.** Payments are generally made at sub-treasuries on cash orders issued by the district treasury; the method of adjustment of such orders is explained in Article 363.

NOTE 1.—Cash orders outstanding for more than three months should be held as lapsed and should be stopped, the charges they represent being cancelled and adjusted.

NOTE 2.—The necessary adjustment will be made by the Accountant General. A statement of lapsed cash orders should be submitted with the monthly cash accounts specifying (I) in the case of cash orders issued for *Service payments* the number and date of the vouchers in which the charges were originally drawn, and the name of the officer by whom they were drawn, and (II) in the case of cash orders issued on behalf of a *Ward's Estate* or a *Municipality* the number and date of the cheques. The total amount of cash orders included in the monthly statement should be deducted from the closing balance in the *plus* and *minus* memorandum, and note must be made in the Ledger (Form 44) against items included in the statement that they have been reported to the Accountant General for adjustment as lapsed.

NOTE 3.—If payment is subsequently claimed, the claimant should forward the lapsed cash order to the Treasury Officer, who will arrange to obtain the sanction of the Accountant General for payment of the claim.

## Closing for the Day.

**323.** The process of closing accounts for the day is as follows:—

(*a*) The daily total of each register will be entered in the cash book, which will then be totalled, and the balance memorandum at the top of the Accountant's balance sheet (Form 37) will then be drawn up. To the account balance thus brought out, the additions and deductions indicated in the form will be applied so as to bring out the cash balance at the district treasury.

(*b*) Meantime, the Treasurer will also sum both sides of his cash book and draw up his balance memorandum in Form 38, appending on the lower part of his balance sheet a detail in kind of the notes, coin, etc., composing the balance.

(*c*) If the results shown in the two balance sheets agree, the Treasury Officer should sign the two cash books and the two balance sheets. He should first satisfy himself of the correctness and good order of all these documents and should give special attention to the reconcilement of the account balance of the district with that actually in the headquarter treasury; the latter excludes the balance in sub-treasuries or under remittance within the district which the former includes.

1. The following is a memorandum of some of the more important parts of the verification. The Treasury Officer should—

(1) compare each entry of a payment, either in cash book or in register, with the payment order (Article 309), ticking off each voucher as it is passed. (This will not be necessary if the Treasury Officer adopts the alternative plan of having the account entry presented to him for initials at the same time that he signs the order of payment);

*Page 156, Article 322—*

Substitute the following for Note 3 under this Article.—

Note 3.—If payment is subsequently claimed, the claimant should forward the lapsed cash order to the Treasury officer who will arrange for the payment, a note being made against the entry concerned in Form No. 44 so as to prevent a second repayment.

*[10th list—1-10-15.]*

(2) examine at least two of the totallings on each side marking the total as "*Exd.*";

(3) see that the totallings are correctly carried from register to cash book,—initialling the totals as he thus compares them;

*N.B.*—(This must be done, in the case of receipt registers, even when the total for the day is blank; but it is not necessary to initial blank payment registers. If the number of blank receipt registers is great, the following plan may be adopted. Such registers as are only rarely required for entry may be bound in a single volume and kept under the Treasury Officer's own lock. When the volume is required for an entry, he should give out the register for the purpose, and he should receive it back at the time of signing the daily accounts, carefully seeing in doing so that all new entries in it are correctly carried to the cash book, and initialling them accordingly. It is obviously necessary to guard against fraud or mistake of omitting to bring an entry from these registers upon the cash book; and this precaution is not complete if the Treasury Officer examines only those registers from which an entry is made upon the cash book.)

(4) have the totalling of the cash book verified by himself or some principal subordinate officer, other than the Accountant, who should initial it as correct;

(5) see, twice every week, that all vouchers are properly arranged (Article 319).

(*d*) Before signing the Treasurer's daily balance sheet, he should roughly verify the balance in the sole charge of the Treasurer, as shown in that sheet, and satisfy himself on the following points:—

(1) that no uncurrent coins are left in charge of the Treasurer;

(2) that no more small silver and copper coin is so left than is actually required for current use;

(3) that the whole balance in sole charge of the Treasurer never exceeds his current requirements.

(*e*) He should always be careful to sign the Treasurer's balance sheet on the evening of the day itself to which it refers, but the signature and comparison of the Accountant's books need not be made till the following morning unless the office is to be closed for two or more days. The Accountant's balance sheet must not be signed until it has been carefully agreed with the Treasurer's.

1. The intention of the above rule is that ordinarily the Treasurer's balance sheet should be compared and agreed with that of the Accountant before closing the treasury for the day and it is only when pressure of work renders this impossible that the comparison may be postponed till the following morning. When this is necessitated the certificate over the Treasury Officer's signature at foot of Form 38 should be altered in manuscript by cancelling the words "agreed with the Accountant's daily balance sheet and" before the form is signed by the Treasury Officer, which it must be before closing for the day. An additional certificate will then be added and signed by the Treasury Officer on the following morning, *viz.*, "agreed with the Accountant's daily balance sheet." For the 31st March and first few days of April it will be necessary for the Accountant to prepare a separate rough balance sheet on each of these days for comparison with that of the Treasurer as the completion of the Accountant's balance sheet for the 31st March has to await the receipt of the Sub-Treasury Accounts (see Article 324).

2. In the Accountant's balance sheet there is not one figure which the Treasury Officer has not ample means of verifying: the opening entries agree with closing ones of the preceding day; the receipt and charge are taken from the cash book; the amounts shown as sub-treasury balance can be ascertained in a few moments from the daily sheets of sub-treasuries, and any change made since the previous day in the amount under remittance within the district must be supported by an entry in the sub-treasury sheets, or in the Treasurer's cash book. The balance in the district treasury is shown in the Treasurer's balance sheet; and in that part of it which is under joint locks no change can be made without the active intervention of the Treasury Officer himself.

## Closing for the Month.

**324.** As it is absolutely necessary that the figures given in the different receipts, accounts and returns exchanged with other departments should exactly agree with those shown in the treasury account, the formal closing of the accounts of the several sub-treasuries for the month should be fixed for the latest date which will leave no risk of non-receipt of that day's returns at the head-quarter treasury before the end of the month: any transactions of a later date must be excluded from the returns. The transactions of every sub-treasury on all days, from the 1st to the fixed closing date, are incorporated in the account of the head-quarter treasury on the day on which the daily sheet is received; those of later days can only be brought on the accounts of the next month, even though the daily sheet be received before. To this rule, however, there is the one exception of March, for which the head-quarter accounts are kept open until receipt of daily sheet of every sub-treasury for 31st March, in order that all receipts and payments taking place at sub-treasuries within the official year may, without exception, be brought into the accounts of the year.

**325.** In addition to the usual daily closing, the month's totals of the registers should be carried into the cash account in case of receipts, and into the list of payments in case of payments; the cash account should be closed with an abstract in the subjoined form, the cash verified by actual counting, and the cash balance report made out as directed in Articles 329 to 331.

*Form of closing abstract of the cash account.*

| | ₹ | a. | p. |
|---|---|---|---|
| Opening balance | 13,425 | 1 | 0 |
| Cash receipts | 24,623 | 2 | 4 |
| TOTAL RECEIPTS | 38,048 | 3 | 4 |

| | ₹ | a. | p. |
|---|---|---|---|
| Payments, 1st to 10th, as per list | 12,462 | 14 | 0 |
| Payments, 11th to 31st | 3,231 | 3 | 6 |
| TOTAL PAYMENTS | 15,694 | 1 | 6 |
| Closing balance as per Cash Balance Report | 22,354 | 1 | 10 |
| TOTAL CHARGES | 38,048 | 3 | 4 |

NOTE.—The Treasury Officer has no difficulty in applying an effective check upon the Cash Account when it is laid before him. Its opening and closing balances are not deductions from accounts, but are statements of fact certified by the District Officer to have been verified by actual enumeration of coin. Does the difference between the receipts as shown in the cash book and the sum of the two lists of payments account for difference between these facts? Do the entries from the registers agree with the totals of the details of those books? If, at any time, the Treasury Officer be unable to compare all, at least he may compare some; notably, he should compare the entries in the *plus* and *minus* memoranda of deposits, stamps, etc., with the entries in the account—*e.g.*, the *plus* and *minus* memorandum shows a reduction in the stock of judicial stamps to the value of ₹5,000; if the credit in account be less, where is the receipt from another treasury for stamps supplied?

## *Page 159, Article 327—*

*Delete* the words "and Telegraph" from line 4 and *for* "telegraph" *read* "postage" in line 7 of the Article.

*5th list, 1-4-14*

## Returns to the Accountant General.

**326.** The Cash Account, the second List of Payments, and a variable number of schedules which have already been prepared from day to day, and vouchers supporting them, should be despatched to the Accountant General on the first working day of the following month (the first list with vouchers and schedules should already have been despatched on the 10th or 11th of the month). With regard to the punctual transmission of the accounts, the Government of India has requested Local Governments to visit with severe displeasure any avoidable delay on the part of any District Officer in the despatch of his first and second lists of monthly payments with schedules and vouchers; also of the cash balance report and the cash account with schedules and papers complete.

1. The returns due for despatch on a holiday may be sent one day (but not more than one day) late.

2. Directions have already been given that the vouchers pertaining to each schedule should be numbered in a separate series, and kept under lock and key in the order of payment till they are despatched; before despatch of the lists of payments and schedules, the Treasury Officer, should, by inspection, satisfy himself that the required vouchers are all attached. He will find it profitable at intervals during the month to take up a schedule, and see that all its vouchers are present, and in proper order. As no payment can be made without a voucher, there can be no excuse for the absence of any unless it be that for a specie remittance.

3. The bills for the salary and allowances of a gazetted officer, who is about to retire or to proceed on long leave out of India, should be submitted to the Accountant General, for special audit, on the date of payment or as soon afterwards as his intention becomes known to the Treasury Officer.

**327.** In addition to these returns, *plus* and *minus* memoranda must be submitted with the monthly account showing the transactions on account of deposits (Article 369), of Local Funds (Article 274), of each kind of stamps (general, adhesive, bill, court-fee, postage ~~and telegraph~~ stamps); and of excise opium. The deductions from balance should tally with the corresponding entries of receipt in the accounts (except as regards ~~telegraph~~ postage stamps referred to in Article 546 and stamps sent to other treasuries or sub-depôts), and the closing balances should be certified as agreeing with the various stock registers and accounts maintained in the treasury. Memoranda may also, with advantage, be required of the outstanding balances of any class of advances which the District Officer has authority to make (*e.g.*, land improvement advances). For all these the same form may be used, showing in vertical columns—(1) Name of fund or stock, (2) Balance from last month, (3) Additions to balance this month, (4) Total, (5) Deduction from balance, (6) Balance at end of month.

NOTE.—No difference should ever exist between the closing balance of one month and the opening balance of the next; any addition to, or deduction from, the balance should be made by a special entry to be explained by a foot-note.

## Abstract Account.

**328.** Immediately after the account is completed, the abstract account should be prepared from it and despatched by post to the Accountant General on the 2nd of the month, unless special orders have been issued to the treasury to telegraph the figures. The postal form

will be the following, the figures being stated in even hundreds of rupees:—

*Postal Form.*

| RECEIPTS. | R | OUTGOINGS. | R |
|---|---|---|---|
| (1) Civil Revenue | 30,200 | (10) Civil Expenditure | 56,500 |
| (2) Civil Debt and Remittance | 63,400 | (11) Civil Debt and Remittance | 14,700 |
| (3) Post Office | 12,600 | (12) Post Office | 13,500 |
| (4) Marine | 1,800 | (13) Marine | 4,200 |
| (5) Military | 3,600 | (14) Military | 64,900 |
| (6) Public Works | 24,200 | (15) Public Works | 53,300 |
| (7) Guaranteed Railways | ... | (16) Guaranteed Railways | .. |
| (8) Telegraph | 700 | (17) Telegraph | 2,500 |
| (9) Opening Balance | 1,27,200 | (18) Closing Balance | 54,100 |
| | 2,63,700 | | 2,63,700 |

*Telegraphic Form.*

302 634 126 18 36 242 7 1272 565 147 135 42 649 533 25 541, no account being taken of the Guaranteed Railway figures, except in those treasuries which have special instructions with reference to them.

NOTE.—The following instructions should be followed in compiling this abstract from the cash account:—

(*a*) Taking the figures in order of ascertainment—the first will be the total of receipts and issues on account of the Military Department (5) and (14). As these are in every treasury shown in separate schedules and separately totalled, they can be stated without difficulty.

(*b*) The next are the receipts and issues on account of the Public Works Department (6) and (15) which includes State Railways but not Guaranteed Railways.

[*N.B.*—The East Indian is a State Railway and not a Guaranteed one.] The issues are all made on cheques, and are separately scheduled. The receipts also are usually scheduled: so that the Treasury Officer can upon his cash account show separately the whole of the Public Works transactions.

(*c*) The next figures to be taken out are those of the Post Office (3) and (12). This head is represented on the receipt side by the separate schedule of the Post Office receipts including postage stamps: and on the expenditure side by a separate schedule, so that the items can readily be taken out. The figures of Telegraph (8) and (17) can be taken out with equal readiness as they are represented by separate schedules also.

(*d*) (*7*) *and* (*16*) *Guaranteed Railways.*—Very few treasuries have anything to do with these, but there is no difficulty in stating the receipts and issues, and the Accountant General in each case will give special instructions to the treasuries concerned.

(*e*) *Marine* (*4*) *and* (*13*.—The figures show receipts from and issues to officers of the Marine Department (*i.e.*, payments on account of sea-going vessels and dockyards), made on warrants issued by the Controller of Marine Accounts, Calcutta, or on cheques issued by him or by the Director (or Assistant Director) and the Deputy Director, Royal Indian Marine.

(*f*) After the figures 3, 4, 5, 6, 7, 8 and 12, 13, 14, 15, 16 and 17 are taken out the remaining ones belong to the purely civil section of the accounts, and are either Revenue and Expenditure or Debt and Remittance.

(*g*) Revenue and Expenditure are for the most part well understood, but it must be remembered that they include a few items which are dealt with in the treasury accounts in a special manner with reference to subsequent procedure in the account offices. Such are Interest upon Government paper, similar payments (in the Punjab), Presidency payments (in Bengal), and, in some places, the payment of particular pensions. In the following cases receipts and issues are not, strictly speaking, Revenue and Expenditure; but as they

are receipts from special officers of the revenue which they receive, and issues to them of funds for expenditure, and as, for the purpose of these preliminary returns, the Accountant General looks to the treasuries, and cannot wait for the further information to be gathered from the separate accounts of the officers concerned, the Treasury Officers must regard them as Revenue and Expenditure. The receipts and issues so to be dealt with are—

From and to the Officers of the Opium Department;
" " Officers of the Forest Department;
" " Collectors of Sea Customs;
" " Commissioner of Opium, Bombay;
" " Officers of the Northern India Salt Department, and the Salt Departments in Madras and Bombay;

From and to the Controller of Stamps, Stationery and Printing;

and other officers whom each Accountant General will name.

(*h*) The Debt and Remittance items, which complete the account, are those—

(1) in which the receipt of money involves a liability to subsequently repay it (such as Imperial or Provincial Loans, Savings Bank Deposits, Local Funds, Municipal Funds, Deposits, Receipts for bills issued on other treasuries), or

(2) in which the payment of the money is discharged by a subsequent receipt or recovery, such as advances, loans, remittances to other treasuries (remittances of other kinds are already provided for);

(3) repayments of items of the first kind, and recoveries of items of the second kind.

(*i*) In the forms of cash account and list of payments supplied for treasury use, there are almost always two columns, and where there are not, a second column can be ruled by hand. The Treasury Officer, in posting his cash account, should enter in the first of the two columns the items which he is instructed above to classify as Civil Revenue and Expenditure; and the other items should go into the second column. The two columns should then be totalled separately, thus :—

| | ₹ a. p. | ₹ a. p. |
|---|---|---|
| Total . . . . . | 2,734 1 10 | 3,672 2 5 |
| Add first column . . . . | ..... | 2,734 1 10 |
| TOTAL OF BOTH . | ..... | 6,406 4 3 |

He will thus obtain at once, in the total of the first column, the figures that are to be shown as Civil Revenue and Expenditure; and when he has deducted from the total of the second column the figures of Military, Public Works, Post Office, Telegraph, Marine, and Guaranteed Railways, the remainder will be the total of the Debt and Remittance items.

## Cash Balance Report.

**329.** The detailed Cash Balance Report for the last day of the month should be despatched positively on the first working day of the succeeding month. It should be signed by the District Officer with a certificate that he has personally verified the several details of the coin and notes held. Whether it agrees with the account, or by any error in them disagrees, it must declare the literal facts; and it will include, with the coin actually found in the treasury, balances of the several sub-treasuries on the last dates for which their returns have been included in the headquarters accounts.

1. The following is a sufficient and ordinary procedure of a Treasury Officer or Collector in verifying a cash balance by counting :—

(*a*) *Silver coin.*—(*ii*) The coin being in bags, each containing a certain fixed amount. First take any bag at random, have ₹50 or ₹100 counted in detail and used as a weight in a small scale against which other similar sums are weighed, until the whole contents of the bag are exhausted. Care should be taken that the requisite number of parcels of

₹100 or ₹50 is made up. The whole amount thus tested should then be taken as a verified weight of ₹1,000 or ₹2,000, as the case may be, and be placed in one pan of a large pair of scales.

(*b*) *Gold coin.*—The coin should be put up in bags of £100 each, the fractional part of £100 being kept in a separate bag. First take any bag at random, count 25 sovereigns and place them in one pan of a scale and balance it against a like quantity counted and placed in the other pan. Transfer the contents of the second pan to the first and balance the whole against a like quantity of sovereigns, which being transferred to the first pan will raise its contents to £100, verify the contents of the other bags against this standard weight. The contents of every bag containing a fraction of £100 as well as those of any bag found to weigh less than the standard weight should be verified by actual counting.

(*iii*) The whole number of bags should now be counted, and one in every twenty taken at random, opened, and its contents poured into the scales and weighed against the verified ₹1,000 or ₹2 000. If their weight is less, they should be tested by weighment in sums of ₹100 as in paragraph 1; and if after such examination they are found correct, they should be substituted for those taken before as the verified weight.

(*iv*) Broken amounts may be verified by weighment in smaller quantities of ₹50 or ₹100, or ₹200.

(*v*) With proper arrangements, about ten lakhs of coin can be tested in one hour in the above manner.

(*c*) *Copper, bronze and nickel coin.*—There is no rule. The Collector may adopt any method of verification which he thinks satisfactory, and provided he remembers that he is personally responsible for the correctness of the balance he states, is not required even to count the bags every month; but he should do it occasionally, and should also examine their contents occasionally.

(*d*) *Notes.*—All notes of ₹100 and over should be counted with the Collector's own hand. For smaller notes the following plan is sufficient :—

(*i*) The notes being in bundles of a certain marked number, a few at the top may be folded back, and the rest counted by clerks or their assistants.

(*ii*) The Collector should then see, in the case of each bundle, whether the addition of the folded-back notes to the number already counted and marked makes up the whole alleged number of the bundle.

(*iii*) The clerks or assistants should not be persons who are responsible for the correctness of the bundle, and the Collector should satisfy himself that the notes in the bundle are all of the alleged value,—*i.e.*, for example, that a ten-rupee note is not counted as one of a fifty-rupee bundle.

(*e*) These rules should be printed and pasted on to a board, and hung up in the strong-room in a conspicuous place.

2. Under Financial Department No. 1760, dated 6th July 1871, the Accountant General is bound to report to the Government of India, as well as to the Local Government, the name of any officer whose negligence causes delay in the submission of the provincial cash balance report.

3. If there is a sub-depôt of small silver and copper coin located in the treasury, its balance on the 31st of March and the 30th of September must be verified by the District Officer, and a note inserted in the cash balance report for those months stating that the verification has been made. The verification reports should also be sent to the Accountant General.

**330.** The Cash Balance Report should be prepared in Form No. 38A showing separately the value of each kind of coin as well as the number of pieces of each denomination of notes.

NOTE.—In districts where the treasury banks with a branch bank, the latter should show separately, in its balance statements, the amount of four-anna and two-anna pieces and copper coin excluded from the balance under clause 5 (or 9) of the contract, in order that the Treasury Officer may watch the amount of available balance, and may in the cash balance report show distinctly the amount of available balance, as well as the amount of total balance.

**331.** The total balance should be stated in words, and its distribution between the head-quarters and sub-treasuries should be exhibited so as to show the amounts held in each in notes, in legal tender gold, in whole rupees, in small silver, in nickel and in bronze and copper; the portion of the head-quarters' balance under double locks, and under the treasurer's single lock, respectively, should be noted.

**332.** The Report provides also for memoranda detailing—

(*a*) the remittances to other districts, despatched in the past month, with any of previous months for which first acknowledgments have not been received, the date of despatch being given in each case;

(*b*) the remittances received from other districts in the past month, with dates of despatch and receipt, and the despatch of the first and of the final acknowledgment;

(*c*) the dates, not being holidays, on which the treasury did not notify that it was prepared to cash notes.

**333.** On the cash balance report of the 30th June, 30th September, 31st December, and 31st March, note should be made of the total amount of outstanding bills advised, not payable at sight, *i.e.*, payable from first available funds or at so many days' sight.

**334.** On the 15th of each month, each treasury will also furnish the Accountant General with a memorandum showing the present balance and the probable balance at close of the month, and mentioning any facts specially affecting the balance. When this report cannot reach by the 17th, it may be despatched on the 14th, or even telegraphed thus in thousands:—

"*Balance 000. Expected 000. Total of the two 000.*"

[*N.B.*—This form differs slightly in different provinces.]

## District Officer's Verification.

**335.** The duty of verifying and certifying the monthly cash balance and of signing the monthly cash account must be performed by the District Officer in person, and must on no account be delegated to any subordinate officer unless upon the ground of properly-attested actual physical inability to perform the duty. The Accountant General is forbidden to accept these returns and accounts under any other signature, save under the circumstances laid down in the next article.

NOTE.—The totals of all accounts and returns and the balance of the cash account should be entered in words as well as figures, and there must not be left before the entry such space as would allow a fraudulent alteration of the amount.

**336.** The District Officer when at head-quarters must always verify the District Treasury balance in person and sign the accounts to be rendered to the Accountant General; when he is absent on tour on the 1st of the month the duties may be entrusted to the senior gazetted subordinate of the district staff present at head-quarters, not being officer in charge of the treasury, or to any of his assistants or District Deputies in permanent charge of talukas or sub-divisions. The District Officer should however himself perform the duty in person at least once in every four months. The fact of the District Officer's absence must be distinctly noted in the returns and accounts.

1. When the verification of the cash balance takes place on a date other than the 1st of a month, it should be reported to the Accountant General in the usual form of cash balance report.

2. If neither the District Officer, nor any gazetted officer of the district staff, other than the Treasury Officer himself, is present at head-quarters when the accounts are

ready for signature, the cash balance may be verified and the accounts be signed by the Treasury Officer; but the absence of all other officers as above must be certified on the face of the accounts; and the cash balance should be verified by another officer and reported to the Accountant General as soon as any such other officer returns to head-quarters.

## Notices.

**337.** Notice should be posted up conspicuously in the office of the hour at which the treasury closes for receipt and payment of money, which should be at least an hour before the end of the day's work, in order to give time for closing and agreeing the accounts.

NOTE.—If any local law require that the treasury on any day be kept open till a named hour, the accounts cannot, of course, be closed till after that time, but should then be closed and agreed in the usual manner before any one leaves office.

**338.** Treasury Officers should themselves see that the notices which they are required to exhibit, regarding the encashment of currency notes, the supply of small coin and copper, and the like (Article 569, note 1, and Article 609), are really exhibited conspicuously in places which the public enters freely and that no favouritism is shown in the conveniences which the treasury can offer.

## Treasury Inspection.

**339.** All district treasuries will be inspected periodically by Commissioners of divisions or other superintending officers, and their observations on all matters connected with the accounts and treasury branches of revenue treasuries will be communicated to the Accountant General of the province, together with any order which, on the occasion of such inspections, they may give to the officers in charge of the treasuries.

**340.** The Accountant General will communicate these reports to the Comptroller General annually, in April. In submitting the information, it will suffice to mention—

(*a*) The treasuries inspected.

(*b*) The defects revealed, or other matters worthy of remark in each case.

(*c*) The orders passed.

1. These orders were repeated, with reasons in support, in Government Order F. D. 1796, dated 24th July 1876.

2. The inspecting officer should see that the boxes in which the money is kept are in good order, that the guard is properly posted, that the Treasurer is not allowed to keep too much money in his hands, that the spare stores of bill forms are kept under proper custody, that the deposit registers and pension registers are all up to date, that the standing orders of the department are observed, that the circulars from the Accountant General are understood and filed to date, and generally, that the office registers and records are in good order. He should also notice the degree of supervision exercised by the Treasury Officer in respect of the examination of coin presented by the public and its withdrawal from circulation, if tampered with or unduly worn,—see Article 577.

3. But the Accountant General may send to District Officers a table of questions, such as that printed as Appendix H, and on receipt of their replies, issue orders and draw up a report to the Comptroller General.

**341.** The Accountant General may, with the approval of the Local Government, either personally or by his deputy, make a general inspection of particular treasuries, or may, with the like approval, should circumstances make it desirable, depute a qualified officer of his establishment to examine and report on special matters requiring local and

*Pages 164 and 165, Articles* **339** *to* **341**

*Substitute the following for these Articles and Notes thereunder :—*

**339.** Each district treasury will be inspected, in accordance with the instructions contained in Article 1591, by a gazetted officer of the Accounts Department deputed by the Accountant-General of the Province in which it is situated.

**340.** A brief report of each inspection will be drawn up and sent to the Commissioner, or Controlling Officer specified by the Local Government for the purpose. That officer will then pass such orders as he considers necessary on the report and send a copy of the same to the Accountant-General concerned. If the Accountant-General finds that the orders passed on any specific question are not satisfactory, he will address the Local Government on the subject. The general results of the inspections and the orders passed by the Controlling Officers will be clearly summarised in the Annual Review of the working of treasuries submitted to the Local Government under Article 1003.

**341.** The responsibility for the proper management and working of the district treasuries rests entirely with the local Revenue officers acting under the orders of the Local Government, and no portion of this responsibility should be imposed on the Accountant-General. The system of inspection of treasuries by officers of the Accounts Department has been substituted for the inspections previously carried out by Commissioners or other Supervising Officers and is not intended to relieve the District officers of their responsibility in the matter of management and inspection.

NOTE.—Rules for the administration of treasuries and the system of their management are contained in Financial Department Resolution No. 355, dated the 18th January 1882. It has been laid down that the appointment of very junior officers to the charge of treasuries is objectionable, but if in a temporary emergency such an appointment is made, the departure from strict rule should be reported to the Accountant-General and the reasons for it explained to that officer.

detailed investigation, either singly or in subordination to an officer of the local Administration. In case special inspection of *several* treasuries appears desirable, the Accountant General should report the fact, with his reasons, to the Comptroller General, as soon as he resolves to apply for the permission of the Local Government.

1. The Government of India have ruled that the responsibility for the proper management and working of the district treasuries rests entirely with the local Revenue Officers acting under the orders of the Local Government, and that no portion of this responsibility should be imposed on the Accountant General. It has also been ruled that, as regards inspection of treasuries, no change should be made which would tend to relieve Commissioners and District Officers of their responsibility for management and inspection.

2. Rules for the administration of treasuries and the system of their management and periodical inspection are contained in Financial Department Resolution No. 355, dated 18th January 1882. It has been laid down that the appointment of very junior officers to the charge of treasuries is objectionable, but if in a temporary emergency such an appointment is made, the departure from strict rule should be reported to the Accountant General and the reasons for it explained to that officer.